

MINUTES OF MEETING

STATE OF WISCONSIN DEFERRED COMPENSATION BOARD

Tuesday, September 3, 2002

**Department of Employee Trust Funds
801 W. Badger Rd., Conference Room 2A
Madison, Wisconsin**

BOARD PRESENT: Edward Main, Chair
Martin Beil (via speaker phone)
John Nelson (via speaker phone)
J. Jean Rogers (via speaker phone)

PARTICIPATING STAFF: Mary Willett, Director, Deferred Compensation Program
Sharon Walk, Board Liaison

Edward Main, chair, called the meeting to order at 10:35 a.m.

Mary Willett presented a recommendation to the Deferred Compensation Board to participate in a Pension Knowledge Assessment Program (PKAP), which would survey a random sample of Wisconsin Deferred Compensation Program (WDC) participants to measure their investment knowledge. She asked for authorization to contract with Cortex Technologies, Inc., to perform this service. If approved, the cost would be paid by Nationwide Retirement Solutions from the WDC's administrative expense account pursuant to our current agreement (Article II. 2.8 B.).

The Board was informed that the purpose of the PKAP is to identify the level of WDC participants' investment knowledge and how they make their decisions. This will help determine where improvements need to be made in investment education and communication.

A memo distributed to Board members discussed how the results of the survey would be used. The main goal would be to help staff determine how the restructure of the WDC investment spectrum has, or has not, helped participants make investment decisions and how to better design future communication and participant investment education initiatives.

Ms. Willett noted that the cost of contracting with Cortex Technologies would be \$18,000, plus the cost of mailing and handling printed survey documents. Depending on the number of mailed survey documents, the total cost of the study would likely be approximately \$22,000. Although the review of administrative expenses and revenues has not yet been completed, Mary indicated that the additional expense of the survey would not affect the Board's ability to reduce fees for 2003 if the review (to be completed and presented to the Board at their November meeting) determined a reduction was warranted.

The Board members briefly discussed the benefits of participation in this service, and Ed Main called for a motion.

MOTION: Mr. Beil moved to authorize the expenditure of funds to contract with Cortex Technologies, as recommended by staff, and to delegate authority to Ed Main, Board chair, to sign the service agreement. Mr. Nelson seconded the motion, which passed without objection on a voice vote.

Adjournment

MOTION: Ms. Rogers moved to adjourn. Mr. Nelson seconded the motion, which passed without objection on a voice vote.

The Deferred Compensation Board meeting was adjourned at 10:45 a.m.

Date Approved: _____

Signed: _____

Martin Beil
Secretary